

Affordable coverage now – with the flexibility to adapt as your life changes

A life insurance solution for young clients who want to lock in insurability now

If you want the protection of life insurance and its income-tax-free death benefit, but think you can't afford the necessary premium at this point in life, there's an alternative.

Advantages of term and FIUL coverage in **ONE POLICY**

Allianz Life Pro+ Fixed Index Universal Life (FIUL) Insurance Policy now includes an optional Convertible Term Rider that can make needed insurance coverage more affordable in the near future.

Available at issue for an additional cost, this rider provides you the opportunity to add term insurance coverage to a permanent policy – and gives you the option to convert a portion or, over time, all of this term coverage into permanent coverage during years 2 through 10 *without* additional underwriting.¹

That means your insurability can be locked in now, while you are younger and may be in better health. Over time, as your financial situation changes, you can convert the term portion to permanent coverage. You'll keep your desired death benefit protection, but because you are converting into an FIUL policy, you will also have the potential to accumulate cash value.

Allianz Life Pro+ Fixed Index Universal Life Insurance Policy provides affordable death benefit protection today – with the flexibility to adapt to your future needs.

Let's look at an example on the next page.

For all that's ahead.®

Allianz 

¹ There is a monthly charge for this rider prior to conversion. Upon conversion, the monthly rider charges end on the converted amount and new base policy charges begin, based on the new base policy specified amount. Rider charges are based on age, gender, risk class, and death benefit amount. The Convertible Term Rider and Additional Term Rider cannot be used in conjunction.

Must be accompanied by the Allianz Life Pro+ Fixed Index Universal Life Insurance Policy consumer brochure.

Products and feature availability may vary by state and broker/dealer.

MLIF-1116

Using Allianz Life Pro+ with the Convertible Term Rider

David, a hypothetical client, is 30 years old and in good health. He's a recent medical school graduate in his second year of residency.

Since he is young and in good health, David thinks it would be an appropriate time to get life insurance protection. He anticipates a significant increase in his income when he completes his residency. But in the meantime, he has a modest income while making payments on student and auto loans, and contributing to his retirement 401(K) plan.

David needs coverage that is affordable within his budget and provides an adequate death benefit, but would also like a strategy that can help supplement his retirement savings.

David's potential solution locks in insurability now while he is young and in good health – but has flexibility to change as his lifestyle changes.

Illustration assumes:

PRODUCT Allianz Life Pro+® Fixed Index Universal Life Insurance Policy with Convertible Term Rider

AGE 30 **GENDER** Male

CURRENT DEATH BENEFIT NEED: \$1,000,000

Policy year 1

Because David is on a limited budget, he purchases an Allianz Life Pro+ policy and adds the Convertible Term Rider (for an additional cost). Between the two types of coverage, he is able to have a **\$1,000,000 death benefit at a lower cost.**

POLICY YEAR 1: \$1,000,000 death benefit



BASE POLICY (permanent coverage): \$250,000

CONVERTIBLE TERM: \$750,000

ANNUAL PREMIUM: policy years 1-6: \$2,244

Policy year 6

As time passes, David's financial circumstances change and his income has increased. He's decided that he would like to increase his permanent coverage, and at the same time, increase his potential to accumulate cash value.

So in policy year 6, David converts a portion of his Convertible Term Rider coverage into permanent coverage – which he can do without having to go through additional underwriting.

POLICY YEAR 6: \$1,000,000 death benefit



BASE POLICY (permanent coverage): \$500,000

CONVERTIBLE TERM: \$500,000

ANNUAL PREMIUM policy years 6-8: \$4,627

Policy year 9

In policy year 9, David converts the remaining portion of the Convertible Term Rider coverage into permanent coverage (again without additional underwriting).

He continues to have a \$1,000,000 death benefit, and with his term coverage now consolidated into permanent FIUL coverage, he has the potential to continue to accumulate cash value for future needs.

POLICY YEAR 9: \$1,000,000 death benefit



ANNUAL PREMIUM POLICY YEARS 9+: \$10,199

By adding the Convertible Term Rider to his Allianz Life Pro+ policy, **David was able to save over \$35,000 in premium payments in policy years 1 through 9**, and still able to get the \$1,000,000 coverage he needed.

Considerations when using the Convertible Term Rider

After your initial underwriting, no additional underwriting is required for a conversion to occur.

Once elected, the Convertible Term Rider amount may not be increased.

Convertible starting in policy year 2, annually on the policy anniversary, through the 10th policy year, based on the following schedule:

- Policy year 2 maximum allowable conversion: 25% of initial Convertible Term Rider amount
- Policy year 3 maximum allowable conversion: 50% of initial Convertible Term Rider amount
- Policy year 4 maximum allowable conversion: 75% of initial Convertible Term Rider amount
- Policy years 5 through 10 maximum allowable conversion: 100% of initial Convertible Term Rider amount

Minimum Convertible Term Rider amount: 2x base specified amount

If all or a portion of the term coverage is not converted by policy year 11, that portion of term coverage continues on an annually renewable basis at an increased premium.

There is a cost for this rider at issue. Upon conversion, the charges on the converted amount end and a new base policy charge begins.

All the advantages of FIUL and term coverage in one policy – it's the best of both worlds.
Call me today to learn more.



True to our promises ... so you can be true to yours.®

A leading provider of annuities and life insurance, Allianz Life Insurance Company of North America (Allianz) bases each decision on a philosophy of being true: **True to our strength** as an important part of a leading global financial organization. **True to our passion** for making wise investment decisions. And **true to the people we serve**, each and every day.

Through a line of innovative products and a network of trusted financial professionals, and with over three million contracts issued, Allianz helps people as they seek to achieve their financial and retirement goals. Founded in 1896, Allianz is proud to play a vital role in the success of our global parent, Allianz SE, one of the world's largest financial services companies.

While we pride ourselves on our financial strength, we're made of much more than our balance sheet. We believe in making a difference with our clients by being true to our commitments and keeping our promises. People rely on Allianz today and count on us for tomorrow – when they need us most.

Guarantees are backed by the financial strength and claims-paying ability of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America.

Product and feature availability may vary by state and broker/dealer.

P95472
(5/2016)

